

State of New Hampshire Banking Department

In re the Matter of:) Case No.: 07-067
)
State of New Hampshire Banking) Order To Show Cause
)
Department,)
)
Petitioner,)
)
and)
)
Envios R.D. Corp.,)
)
Respondent)
)

NOTICE OF ORDER

This Order commences an adjudicative proceeding under the provisions of RSA 541-A:31, RSA 399-G, and BAN 204.03.

LEGAL AUTHORITY AND JURISDICTION

Pursuant to RSA 399-G:18, the Commissioner of the New Hampshire Banking Department (hereinafter "the Department") may issue an Order to Show Cause why a license should not be revoked, suspended, or penalties imposed or both. RSA 399-G:18 states that the Department may issue such Order when a licensee engages in any practice which violates the Chapter. RSA 399-G:21 states the Commissioner may impose penalties of up to \$2,500 per violation of the chapter.

Pursuant to RSA 383:10-d the Commissioner shall investigate conduct that is or may be an unfair or deceptive act or practice under RSA 358-A and exempt under RSA 358-A:3, I or that may violate any of the provisions of Titles XXXV and XXXVI and administrative rules adopted thereunder. The commissioner may hold hearings relative to such conduct and may order restitution for a person

1 or persons adversely affected by such conduct. The Commissioner may utilize
2 all remedies available under the Act.

3 **NOTICE OF RIGHT TO REQUEST A HEARING**

4 The above named respondent has the right to request a hearing on this
5 Order to Show Cause, as well as the right to be represented by counsel. Any
6 such request for a hearing shall be in writing, and signed by the respondent
7 or by the duly authorized agent of the above named respondent, and shall be
8 delivered either by hand or certified mail, return receipt request, to the
9 Banking Department, State of New Hampshire, 64B Old Suncook Road, Concord, NH
10 03301. Hearings shall be scheduled within ten calendar days of receipt of
request pursuant to RSA 541-A.

11 If respondent fails to appear at a requested hearing or fails to
12 request a hearing or respond to the show cause order within 30 calendar days
13 of receipt of this order, respondent shall be deemed in default, and the
14 penalties requested will be imposed.

15 **STATEMENT OF ALLEGATIONS, APPLICABLE LAWS AND REQUEST FOR RELIEF**

16 The Staff Petition dated May 2, 2007 (a copy of which is attached
17 hereto) are incorporated by reference hereto.

18 **ORDER**

19 WHEREAS, finding it necessary and appropriate and in the public
20 interest, and consistent with the intent and purposes of the New Hampshire
21 banking laws, and

22 WHEREAS, finding that the allegations contained in the Staff Petition,
23 if proved true and correct, form the legal basis of the relief requested,

24 It is hereby ORDERED, that:

- 25 1. The Respondent shall show cause why penalties for their
activity prior to licensure should not be imposed; and

2. Failure to request a hearing within 30 days of the date of receipt of this Order shall result in a default judgment being rendered and administrative penalties being imposed upon the defaulting Respondent.

SIGNED,

Dated: 5/2/07

/S/
PETER C. HILDRETH
BANK COMMISSIONER

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In re the Matter of:) Case No.: 07-067
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State of New Hampshire Banking) Staff Petition
)
Department,)
)
Petitioner,)
) May 2, 2007
and)
)
Envios R.D. Corp.,)
)
Respondent)
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I. The staff of the Banking Department, State of New Hampshire (hereinafter referred to as the "Department") alleges the following facts:

1. Respondent is a money transmitter business within the definition of RSA 399-G:1.
2. Respondent has a principal place of business of 2 Bennett Avenue 3rd Floor, New York, NY 10033 and has 2 authorized delegates in the state of New Hampshire.
3. Respondent was subject to licensure pursuant to RSA 399-G which was signed into law on June 19, 2006 and made effective on August 18, 2006.
4. Respondent submitted their license application on November 6, 2006.
5. At that time the license had numerous deficiencies.

6. The application instructions require the money transmitter bond was signed by an individual as surety who was not a licensed insurer in New Hampshire.
7. The surety was an individual who provides an irrevocable trust receipt from a bank to support his obligations. New Hampshire law does not provide for any instrument other than a surety bond written by an insurance company licensed in New Hampshire.
8. The Department notified the Respondent that neither the customer receipt nor the surety bond provided would be approved in their current form.
9. The Respondent has not provided correct fees for criminal background checks.
10. As a result of these deficiencies Respondent's license was not issued until February 22, 2007.
11. Respondent admitted that between August 18, 2006 and December 18 they engaged in 23 transactions with New Hampshire consumers for a total amount of \$8,854.00.
12. Upon information and belief such transactions are proportional over time and thus Respondent completed approximately 35 transactions prior to licensure.

II. The staff of the Banking Department, State of New Hampshire alleges the following issues of law:

1. The Banking Department ("Department"), has jurisdiction over the licensing and regulation of persons engaged in Money Transmission business pursuant to NH RSA 399-G:2.
2. RSA 399-G:21 IV provides that any person who, either knowingly or negligently, violates any provision of RSA 399-G, may upon hearing, and

1 in addition to any other penalty provided for by law, be subject to
2 suspension, revocation, or denial of any registration or license, or an
3 administrative fine not to exceed \$2,500, or both. Each of the acts
4 specified shall constitute a separate violation, and such
5 administrative action or fine may be imposed in addition to any
6 criminal penalties or civil liabilities imposed by New Hampshire
7 banking laws. Respondent is subject to revocation and/or
8 administrative fines for violations of RSA 399-G.

8 **RELIEF REQUESTED**

9 The staff of the Banking Department requests the Commissioner take the
10 following action:

- 11 1. Find as fact the allegations contained in section I of the Statement of
12 Allegations of this petition.
- 13 2. Make conclusions of law relative to the allegations contained in section
14 II of the Statement of Allegations of this petition.
- 15 3. Assess fines and administrative penalties in accordance RSA 399-D:24, for
16 violations of the New Hampshire Banking Laws, in the number and amount
17 equal to the violations set forth in section I of the Statement of
18 Allegations of this petition. Respondent is subject to an administrative
19 penalty of \$2,500 for each violation of the Chapter.
- 20 4. Take such other administrative and legal actions as are necessary for
21 enforcement of the New Hampshire Banking laws, the protection of New
22 Hampshire citizens, and to provide other equitable relief.

22 **RIGHT TO AMEND**

23 The Department reserves the right to amend this Petition for Relief and
24 to request that the Banking Department Commissioner take additional
25 administrative action. Nothing herein shall preclude the Department from

